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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
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Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF  
GOODMAN WATER COMPANY FOR AN  
EXTENSION OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY.

DOCKET NO. W-02500A-05-0443

PROCEDURAL ORDER

BY THE COMMISSION:

In Decision No. 68444 (February 2, 2006), the Arizona Corporation Commission ("Commission") approved the application of Goodman Water Company ("Goodman" or "Company") for an extension of its Certificate of Convenience and Necessity ("CC&N"). In the Decision, the Commission ordered Goodman to provide:

a copy of the fully executed main extension agreement(s) for water facilities for the extension area within 365 days of the effective date of this Order.

a copy of the developer's Certificate of Assured Water Supply for the Eagle Crest West extension area within 365 days of the effective date of this Order.

The original due date for the Company to submit the Certificate of Assured Water Supply ("CAWS") and Main Extension Agreement ("MXA") was February 2, 2007.

On January 30, 2007, Goodman filed a motion for extension of time until February 2, 2008, to provide the required items. The Company reported that the Pima County Wastewater Management Authority, whom Goodman expected to provide the wastewater treatment for the area, was no longer willing to provide such service and the Company was required to find an alternative solution for wastewater treatment. On May 10, 2007, the Commission issued a Procedural Order that extended the time for Goodman to file copies of the CAWS and MXA until February 2, 2008, and adopted the

1 recommendation of the Commission's Utility Division ("Staff") that any further extension would be  
2 conditioned on Goodman filing an application for a CC&N to provide wastewater service by  
3 December 31, 2007, or finding another non-jurisdictional provider.

4 On December 28, 2007, the Company filed a second "motion for extension of time" to  
5 comply with the CAWS and MXA filings requirement until February 2, 2010. In this most recent  
6 request, Goodman reports that Pima County has reversed its earlier decision, and has agreed to  
7 provide wastewater service to the extension area.

8 On March 28, 2008, Staff filed a Memorandum with its recommendations concerning the  
9 Company's latest request for an extension to file its CAWS and MXA. Staff investigated the  
10 Company's request by contacting Pima County, the lawyer for the developer, and the lawyer for the  
11 Company. Pima County verified that there were discussions with the County that had contributed to  
12 the reported delay. The affidavit of the developer's attorney and the statements of the attorney for the  
13 Company indicate to Staff that the subdivision plat for the extension area can be complete and a  
14 CAWS obtained by the end of 2008.

15 Staff states it remains concerned about the number and relative lengths of the extension  
16 requests. In this particular case, Staff believes that Goodman appears to have been properly pursuing  
17 Commission requirements but has encountered delays with Pima County. Staff states further that  
18 although it did not make a specific filing for a new CC&N or a non-jurisdictional provider by  
19 December 31, 2007, the Company appears to be back on track to proceed with its original preferred  
20 position of having Pima County provide wastewater service to the extension area. Given the  
21 foregoing, Staff does not object to the Company receiving an extension of time to provide the CAWS  
22 and the MXA, however based on information received from Mr. Bangs and Mr. McNulty,  
23 recommends that the extension be limited to one year, or February 2, 2009 and that no more  
24 extensions of time be granted.

25 The Company did not object or respond to Staff's Memorandum and recommendations. The  
26 extension area is intended to serve a future phase of the developer's existing Eagle Crest  
27 Development. The property that would be served is owned by the developer. Having Pima County  
28 provide the wastewater service to this area appears to be an efficient and logical solution, and

1 addresses our concerns in our May 10, 2007 Procedural Order that the Company either file a CC&N  
2 application for wastewater service to the area or find a non-jurisdictional provider. No entity would  
3 appear to be harmed by the proposed extension.

4 We understand Staff's concerns about the number of extension requests made in this docket.  
5 We are reluctant, however, to foreclose the possibility of further extensions for good cause without  
6 knowing the circumstances that may lead to such requests. We admonish the Company to pursue  
7 obtaining the developer's CAWS and filing an MXA as diligently as possible and to monitor and  
8 meet, all of its compliance deadlines.

9 IT IS THEREFORE ORDERED that the deadline established in Decision No. 68444 for  
10 Goodman Water Company to file copies of the CAWS and MXA for the extension area shall be  
11 extended until February 2, 2009.

12 DATED this 21<sup>st</sup> day of April, 2008.

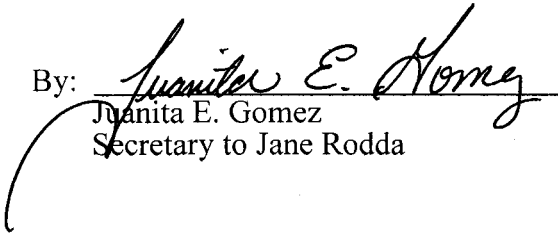
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14  
15   
16 JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE

17 Copies of the foregoing mailed  
18 this 21<sup>st</sup> day of April, 2008 to:

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By:   
Juanita E. Gomez  
Secretary to Jane Rodda